



U. S. Department of Justice

*United States Attorney  
Central District of California*

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Scott C. Smith, Esq.  
City Attorney  
City of Lake Forest  
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5 Park Plaza, Suite 1500  
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Dear Mr. Smith:

I write to respond to your earlier letter seeking the assistance of my office with the City of Lake Forest's efforts to combat commercial marijuana stores operating in violation of local ordinances and regulations, and other laws. We have received similar requests from other municipalities throughout the Central District of California (the District). As a result, in conjunction with federal and local law enforcement agencies, we have carefully examined the situation in Lake Forest, and the problem of commercial marijuana operations in the District.

The Department of Justice has stated on many occasions that it is committed to the enforcement of the Controlled Substances Act (CSA) in all States, including those like California that have enacted some form of legislation relating to the medical use of marijuana. Congress has determined that marijuana is a dangerous drug and that the illegal distribution and sale of marijuana is a serious crime that provides a significant source of revenue to large scale criminal enterprises, gangs, and drug cartels. While it would not be an efficient or reasonable use of federal resources to focus enforcement efforts on individuals with cancer or other serious illnesses who use drugs as part of a recommended treatment regime consistent with applicable state law or advice from their healthcare professionals, the prosecution of significant traffickers of illegal drugs, including marijuana, remains a core priority of the Department.

Persons who are in the business of cultivating, selling, or distributing marijuana, and those who knowingly facilitate such activities, are in violation of the CSA regardless of state law. Such persons are subject to federal criminal and civil enforcement actions. These include, but are not limited to, actions to enforce the criminal provisions of the CSA such as Title 21, United States Code, Section 841, which makes it illegal to manufacture, distribute, or possess with intent to distribute any controlled substance including marijuana; Title 21, United States Code, Section 856, which makes it illegal to knowingly open, lease, rent, maintain, or use property for the

manufacturing, storing, or distribution of controlled substances including marijuana; and Title 21, United States Code, Section 846, which makes it illegal to conspire to commit any of the crimes set forth in the CSA. Federal money laundering and related statutes also prohibit a variety of different types of financial activity involving the movement of drug proceeds, and the government may also pursue civil injunctions or the forfeiture of drug proceeds, property traceable to such proceeds, and property used to facilitate drug violations.

In recent years, commercial marijuana operations have proliferated in this District, including in cities like yours that have vigorously opposed them. This expansion has been driven primarily by the profits generated by marijuana sales. The intent behind California's medical marijuana laws may have been a well-meaning desire to help the seriously ill. However, based on federal investigations, discussions with district attorneys, municipalities, and numerous law enforcement agencies, it is clear that, in reality, and in direct violation of these state laws, virtually all the marijuana stores operating in the this District are profit-making enterprises. In addition to the local problems posed by these stores that you have outlined in your letter, marijuana is being illegally grown on public and private lands to support the commercial distribution at stores, causing harm to the environment and surrounding communities. Moreover, marijuana and marijuana profits associated with these operations travel frequently throughout the state and are being moved between California and other states throughout the country.

In response to this problem, my office is working with federal, state, and local law enforcement agencies to make renewed efforts to combat the commercial marijuana industry in your city and throughout the District. In addition to undertaking criminal prosecutions and other enforcement actions, this office is today sending out letters to the property owners and landlords of the marijuana stores in your city and nearby areas. These letters provide formal notice that the properties in question are being used to possess, distribute, or cultivate marijuana in violation of federal law, and that such activity may subject the property owners to criminal prosecution, fines, and forfeiture of their properties as well as any money they receive from the distribution of marijuana by the stores. At three properties – located in Lake Forest, Wildomar, and Montclair – where the government believes that the property owners were well aware of the marijuana operations in their properties, my office is filing civil complaints in federal court seeking forfeiture of the properties without a preliminary warning letter. We have also acted with the help of I.R.S. to seize a bank account containing rent money from marijuana stores. These actions are of course only the beginning of what will be on-going efforts to help remove these operations.

In choosing to take theses actions in your city and nearby communities, we have noted the substantial efforts your city has made on its own to combat commercial operations through both civil and criminal enforcement. The commercial marijuana industry is illegal and subject to federal enforcement wherever it is found. However, given the number of stores and other operations in the District, in considering the efficient expenditure of federal resources, this office will continue to give extra consideration to communities like yours that have made it clear that commercial marijuana operations are unwanted and that have made, and continue to make, all

reasonable efforts to identify and remove commercial marijuana operations. This office cannot efficiently address this problem alone. We look forward to working together with your city and our federal, state, and local law enforcement partners to uphold the law and help your community.

Very truly yours,

A handwritten signature in black ink, appearing to read "André Birotte Jr.", with a long horizontal flourish extending to the right.

ANDRÉ BIROTTE JR.  
United States Attorney